TEMPORARY

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No. 71511-T

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office
Returned to applicant for correction
Corrected application filed
Map filed
******* The applicant Midas Joint Venture, hereby makes application for permission to change the Point of Diversion and Manner of Use and Place of use of a portion of water heretofore appropriated under Permit 064598 ***********************************
1. The source of water is Underground
2. The amount of water to be changed 0.125 cfs , 90.5 acre-feet
3. The water to be used for Mining, milling, and domestic
4. The water heretofore permitted for Mining, exploration, drilling, and test mining
5. The water is to be diverted at the following point Midas Mine-Valley Well within the NE½ NE¼, Section 3, T38 N, R46 E, M.D.M., at a point from which the NE corner of said Section 03 bears N 33°55'28" E a distance of 670 feet.
6. The existing permitted point of diversion is located within Midas Mine-Rex Well within the NW½ NW½, Section 22, T39 N, R46 E, M.D.M., at a point from which the NW corner of said Section 22 bears N 66°16'52" W a distance of 1371.71 feet.
7. Proposed place of use Sections 3, 4, 9, 10, 15, 16, 21, 22, 27, 28, 33, 34, T39N, R46E, M.D.M.
8. Existing place of use Sections 15, 16, 21, 22, 27, 28, and 34, T39N, R46E, M.D.M.
9. Use will be from January 1 to December 31 of each year.
10. Use was permitted from January 1 to December 31 of each year.
11. Description of proposed works Drilled, cased well with motor and pump, totalizing flow meter, and pipeline to the place of use.
12. Estimated cost of works \$1,000 (one thousand dollars)
13. Estimated time required to construct works Completed; Drilled, cased well with motor and pump, totalizing flow meter, and pipeline to the place of use.
14. Estimated time required to complete the application of water to beneficial use two years
15. Remarks: By Paul M. Pettit, Manager of Environmental Compliance and Hydrology s/ Paul M. Pettit Environmental Department, PO Box 669 Carlin, Nevada 89822
Compared ag/dl ag/sam

Protested_____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This temporary permit to change the point of diversion, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 64598 is issued subject to the terms and conditions imposed in said Permit 64598 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the Proof of Completion of Work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water herein granted at any and all times.

This temporary permit does not extend the permittee the right

of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 60669; 61888; 62114, Certificate 15681; 62582; 63022; 64391; 64392; 64598; 65219; 65220; 65221; 68206; 71510-T; and 71511-T shall not exceed 281.5 acre-feet annually.

The manner of use of water under this temporary permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the following: the volume of water pumped from each well, the volume of water consumptively used for mining and milling purposes and the amount of water diverted to the infiltration basin. These records must be submitted to the State Engineer on a quarterly basis, within 15 days after the end of each calendar quarter.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on September 30, 2005 at which time all rights herein granted shall revert to the right being changed by this temporary permit. (CONINUED ON PAGE 3)

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.125 cubic feet per second, but not to exceed 90.5 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

Proof of completion of work shall be filed on or before:

Water must be placed to beneficial use on or before:

Proof of the application of water to beneficial use shall be filed on or before:

Map in support of proof of beneficial use shall be filed on or before:

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office,

this 1st day of October, A.D. 2004

State Engineer